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THE UNEMPLOYMENT ELEPHANT

THE PARTS AND THE WHOLE

Paper presented by

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Unemployment and Youth Forum. Hobart, April, 1977.

174/77

1977.
UNEMPLOYMENT

THE UNEMPLOYMENT ELEPHANT - THE PARTS AND THE WHOLE

David Griffiths

15 April 1977

There is an old Indian fable...

There were six blind people who went to visit an elephant - that each by observation might satisfy their minds.

The first fell against the elephant's broad and sturdy side and concluded "the elephant is very much like a wall."

The second, feeling the tusk, said, "the elephant is very like a spear."

The third, holding the squirming trunk, said "the elephant is very like a snake."

The fourth, feeling the elephant's knee, concluded, "it is very much like a tree."

The fifth, who touched the ears, said "the elephant is very like a fan."

The last, seizing the swinging tail, said "the elephant is very like a rope."

Each disputed loud and long that they were right and the others in the wrong. In truth, each was partly in the right and all were in the wrong. (1) X

Thus it is with the unemployment debate. We each think we are right and others are wrong. In truth, each of us is partly in the right and all of us are wrong.

Employers are partly right when they say they are suffering a profits squeeze.

The Government is partly right when it says unionists are pricing themselves and others out of jobs.

Unionists are partly right when they say that employers are only interested in making profits.

Employers are partly right when they say the unemployed are too choosy about jobs.

Unionists are partly right when they say the Government is deliberately creating unemployment.

Employers are partly right when they say that unemployment benefit encourages people from not wanting to work.

Until we see unemployment as a symptom rather than a separate problem, then, we will not succeed in solving unemployment. Unemployment cannot be understood in isolation and we must consider unemployment in relationship to the whole of which it is part.

We need to ask what is the real issue. Many times I have myself argued that the issue is unemployment and not the unemployed. While I would still argue this, I suggest we need to go further and ask whether unemployment is the real issue.

The solution to unemployment lies in conceptual awareness that unemployment is deeply rooted in our political, economic and cultural system and that we need to treat causes instead of symptoms. If the unemployed are a symptom of unemployment, unemployment is a symptom of our society.

There are too many people looking for right answers, political panaceas and economic elixirs. Typical examples are re-electing the Labor Government, lowering and reducing compulsory retirement ages, job creation for 20,000 of the unemployed, denying unemployment benefit to married women and reduction of the value of unemployment benefits.

What is the real issue ?

Is it the unemployed ?

No.

Is it unemployment ?

No.

Is it poverty ?

No.

Is it slavery ?

YES.

It is our psychological, political, economic and social slavery to the nature of our society and the assumption we make that what is normal, natural and inevitable. The aggravating problem with this slavery is that few even ask what is normal except when they are challenged to change and their political, economic and cultural reflexes defer to the status quo as if political, economic and cultural issues were as constant as the Sun, the air and the sky.

To free ourselves we must dare to think differently, to dream the improbable, grasp beyond our reach and to ask why not - instead of why.

It is doubtful that the unemployed will be helped until we see the trees for the wood. It is doubtful that unemployment will be solved until we see the forest. (2)

FIRSTLY, we need to recognise that rising unemployment has been experienced by many major industrialized countries in the 1970's - not only Australia, but also the United States of America, Canada, Japan, France, West Germany, Italy and Great Britain. There has been an upward drift in Australia's unemployment rate since the 1960's - not only since 1972. (3)

SECONDLY, we need to look at the standard of living within and between countries. We need to acknowledge the direct relationship between poverty and unemployment and recognise that with increasing unemployment there has been increasing poverty. If poverty was reduced in the 1950's and 1960's this was because of full employment. With a retreat from full employment, we have a halt to the reduction of poverty and an increase in the numbers of poor (4)

THIRDLY, we need to determine what we mean by full employment and whether or not we mean full employment for all or for some, whether we mean employment all or some of the time and whether or not we mean employment in any job or employment in individually-satisfying and socially-useful jobs. We need to ask production and consumption for what and for whom? What have we achieved if full employment results in under-employment? We need to ask whether there is a difference between the official and real labour force? (5)

FOURTHLY, we need to ask what we mean by employment and unemployment. In discussing unemployment are we discussing the percentage of the officially defined labor force defined as unemployed or are we discussing the potential labor force? If we are talking about the potential labor force we are talking about a real unemployment rate of 8%. (6)

FIFTHLY, we need to ask ourselves whether or not unemployment is necessary for the continuity of the capitalist system and, if so, what are the consequences of accepting its inevitability. According to official statistics, in all socialist countries, except in Yugoslavia, open unemployment was virtually eliminated by the 1950's. (7)

SIXTHLY, we need to decide who and what benefits from unemployment and the unemployed. Individuals and groups do benefit from the unemployment of others and it would be dishonest to argue otherwise. (8)

SEVENTHLY, we need to ask ourselves to what extent is it realistic to blame and expect government to solve unemployment. (9)

EIGHTHLY, we need to look at the relationship between economic growth, unemployment and poverty and ask ourselves whether or not it is realistic to assume the elimination of poverty and unemployment is achievable through increased productivity and economic growth. (10)

Finally, we need to be wary of replicating the programs and policies of other countries simply because they are doing more at greater cost. We need to be wary of short-term cures that prevent long-term prevention. (11)

There are, then, many issues and I wish to discuss a few of these in the time available.

The basic strategy choices we face then are to help the unemployed and propose solutions for unemployment and or go beyond this and establish those factors that determine and define unemployment and the unemployed.

The danger of this analysis is that the baby - the unemployed - will be thrown out with the bathwater. It would be so easy to forget the individual unemployed who are victims of unemployment and dehumanise their significance. It is so easy for all of us - trade unionists, welfare professionals, politicians and employers, to speak about, for and without the unemployed. It is tempting to speak for them when their language and experience is different. It is tempting to define the unemployed as inarticulate when, in fact, we are confronted by different languages, levels of meaning, relationship and significance. It is seductive for the experts to believe that the issue of unemployment transcends the unemployed.

I do not entertain romantic notions about the problem-defining and solving capacity of the unemployed, but, then, neither do I entertain romantic notions about the problem defining and solving capacity of the employed. I merely say that if unemployment is to be solved without the unemployed then we endorse their and our oppression. What I am talking about is the process of democracy. How do we maximise public participation in agenda making, decision-making and implementation ?

But, then, the issue is far more complex than the mutual participation of the employed and the unemployed.

It is quite erroneous to create separate categories of 'employed' and 'unemployed' as if they were distinct, permanent and unrelated.

There is an implied static relationship here. X represents the unemployed, Y represents the employed and never will they meet. They not only meet, they also exchange. Within a year, most of the X's become Y's and many of the Y's become X's.

During 1975 for instance, 12.4% of the labour force experienced unemployment - 1 in 8 persons. Of these 182,100 people or 2.8% of the labour force experienced two or more periods of unemployment. The highest number of unemployed registered with the Commonwealth Employment Service in 1975 was 328,705 at the end of December - far short of the 810,500 people who experienced unemployment. (12)

These kind of statistics are not immediately apparent when we talk about unemployment and the unemployed. We need, then, to look at unemployment not at a point of time but over a period of time.

As to long term goals and objectives, it is a question of returning to consideration of basic values and assumptions such as freedom and equality. (13) Let me, however, canvass some long-term possibilities without endorsing any particular possibility.

FULL EMPLOYMENT Full employment defined as work for everyone who wants to work is possible but this would necessitate fundamental, political, economic and

cultural change. Beware of those who return us to full employment by re-definition. (14)

FULL UNEMPLOYMENT An alternative goal is to maximise automation to eliminate the worst jobs in particular and free the majority of the population from the necessity of having to work. (15)

JOB ROTATION Jobs do differ in their wages, conditions and status. If the worst jobs cannot be eliminated, we could all do the worst jobs some of the time rather than some people doing them all of the time.

GUARANTEED MINIMUM INCOME If there are fewer jobs and the total number of jobs is shrinking, perhaps we need to encourage people not to work by providing a guaranteed income - without a work test.

WORK We need to define and re-define the meaning of work. What are the political, economic and cultural factors that determine whether or not an activity is defined and paid as work ?

CRITICAL CONSCIOUSNESS

In essence, then, I am arguing for increasing and increased public participation in decision-making. I am arguing that participation is a learnt experience - for the present powerful and powerless. I am arguing that the process is a critical determinant of results. I am arguing that if we are to solve unemployment then the unemployed must be involved in the process of discovery, definition, analysis and action. I am arguing that conceptual liberation is intimately related to and dependent on political, economic and cultural liberation.

In what follows I discuss some proposals and processes that could facilitate conceptual liberation - the process of seeing the whole of the elephant.

Firstly, unemployed self-help groups.

Secondly, job creation.

Thirdly, a Royal Commission on Employment and Unemployment.

Finally, a people's charter on employment and unemployment.

UNEMPLOYED SELF-HELP GROUPS

I believe the process of unemployed people helping themselves is critical and vital. It is a shame that so many on the political "left" have been contemptuous of self-help groups. My view is that anything that helps the unemployed to organise themselves in defending and extending the rights of the unemployed should be supported. The Community Youth Support Scheme can rightly be criticised, but it has provided some self-help groups in Victoria with stability which has not stifled their inclination or ability to criticise the government. (16)

JOB CREATION

I believe there are several reasons for job creation even if it is for a few rather than many of the unemployed. First, it is better to be employed rather than unemployed. Second, many socially-useful tasks would be undertaken which would not otherwise be undertaken. Thirdly, an imaginative and innovative job creation program would enable us to re-define the nature and meaning of work.(17)

ROYAL COMMISSION

In Victoria, a State Government Standing Committee on Youth Unemployment has recommended to the Victorian Government that it recommend to the Commonwealth Government that a Royal Commission into Employment and Unemployment be established.(18)

PEOPLE's CHARTER

The National Youth Council of Australia has suggested that there is a need for the establishment of a people's charter on employment and unemployment. (19)

CONCLUSION

Returning to our unemployment elephant, how long are we going to argue about the parts instead of the whole ?

References:

1

Based on an English version of the fable, The Blind Men and the Elephant, written by John Godfrey Saxe (1816-1887).

THE UNESCO COURIER
April 1971 p 34

2

For arguments concerning our dependence on experts and institutions there are the works of Ivan Illich and Paulo Freire in particular. See also:

Boetie, Etienne de la THE POLITICS OF OBEDIENCE: THE DISCOURSE OF VOLUNTARY SERVITUDE
Free Life Editions, New York, 1975

Milgram, Stanley OBEDIENCE TO AUTHORITY:
AN EXPERIMENTAL VIEW
Tavistock, London, 1974

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For those who doubt the world-wide nature of unemployment:

MOY, Joyanna SORRENTINO, Constance
"Unemployment in nine industrial nations,
1973-75" MONTHLY LABOUR REVIEW
Volume 98 Number 6 June 1975 pp 9-18

Ministers of Labour and the Problems of Employment

Organisation for Economic Co-operation and Development, Paris 1976

Hedges, Janice Neipert "Youth unemployment in the 1974-75 recession"
MONTHLY LABOR REVIEW
Volume 99 No 1 January 1976 pp 49-56

4

For an argument on the relationship between poverty and unemployment:

POVERTY IN AUSTRALIA
Commission of Inquiry into Poverty
First Main Report April 1975
Volume 1
pp 7-11, 16-17 and 128-135

For evidence of increasing poverty and unemployment throughout the world:

EMPLOYMENT, GROWTH AND BASIC NEEDS: A ONE-WORLD PROBLEM
International Labour Office, Geneva, 1976

Sharp, Robin
Whose Right to Work ?
Oxfam Public Affairs Report 2
1976

5

I have discussed this issue in a forthcoming publication tentatively titled, Whither Work. In the meantime, for suggestions that the unemployment rate that equals full employment should be re-defined:

"Increase jobless figure: ACCA" The Age
May 13, 1975 p 15

Australian Bulletin of Labour

Volume 1 Number 3 March 1975 pp 74-75

"What is 'Full Employment'?"

IPA REVIEW
Institute of Public Affairs
Volume 30 Number 3 July-September 1976
pp 66

6

For a previous discussion of this, see:

GRIFFITHS, David
ACTION STRATEGIES FOR EMPLOYMENT AND
UNEMPLOYMENT
National Youth Council of Australia
December 3, 1976 p 6

LABOUR STATISTICS 1975
Australian Bureau of Statistics
Reference No. 6.61
31 March 1977 pp 35-37

7

This is, of course, the traditional socialist argument as espoused by Karl Marx, Paul Sweezy, Victor George and others. Irrespective of your ideological position, it has to be accepted that full employment has only existed in the 1950's and 1960's and that the upward drift in the unemployment rate indicates a drift away from full employment. Even so, however, we need to be aware that the definition of full employment differs considerably and that the procedure that distinguishes and defines the employed, unemployed and not in the labor force is arguable.

8

Townsend, Joseph
A DISSERTATION OF THE POOR LAWS
University of California Press,
Berkeley, Los Angeles, London, 1971
First published 1786

Lynch, Phillip
EMPLOYMENT SECURITY
Department of Labour and National Service
15 April 1972 Particularly pp 13-14

9

For a conservative view of Government:

Nozick, Robert
ANARCHY, STATE AND UTOPIA
Oxford, Basil Blackwell, 1974

For a radical view of Government:

Tolstoy, Leo
THE SLAVERY OF OUR TIMES
The Free Age Press, Maldon, Essex, 1900

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For questioning of the achievements and meaning of economic growth:

HODSON, HV THE DISECONOMIES OF GROWTH
Pan/Ballantine 1972

Misha, E.J. THE COSTS OF ECONOMIC GROWTH
Penguin, 1973

Schumacher, E.F. SMALL IS BEAUTIFUL:
ECONOMICS AS IF PEOPLE MATTERED
Harper Torchbooks, 1973

11 GRIFFITHS, David
"Direction of Labour Power Programmes in
operation at the present time"
THE COMMONWEALTH PROFESSIONAL
Number 265 March 1977 pp 22 and 25

12 LABOUR STATISTICS 1975
Australian Bureau of Statistics
Reference No. 6.61
31 March 1977 pp 31 and 44

13 For example:

Wootton, Barbara PLAN OR NO PLAN
Victor Gollancz Ltd, London, 1934

Pigou, A.C. "INCOME REVISITED" BEING A SEQUEL
TO INCOME: AN INTRODUCTION TO ECONOMICS
Macmillan & Co. Ltd, London, 1955

14 The Victorian Federation of Unemployed Self-Help
Groups has made this kind of assertion in their
draft statement "Out of Work: Whose Responsibility?"
UNEMPLOYMENT NEWS April No 2 p 4

15 Theobald, Robert
BEYOND DESPAIR: DIRECTIONS FOR AMERICA'S
THIRD CENTURY
The New Republic Book Company, Inc
Washington D.C. 1976

16 The Victorian Federation of Unemployed
Self-Help Groups has held two news conferences
to criticise the Community Youth Support
Scheme, has a weekly radio program on an
educational public broadcasting station
3RMT-FM, publishes a national unemployed newspaper
UNEMPLOYMENT NEWS and has the support of the
State Government Standing Committee on Youth
Unemployment in recommending that the federation
be funded directly by the Victorian Government.
For a positive view of the federation:
"Self-help Groups" LEARNING EXCHANGE
Number 51 March 1977 pp 8-9
For a negative view of self-help groups:
"At Last: A Fight for Jobs" THE BATTLER
Number 31 2 March 1977

17

In favouring job creation, I would point out that through NEAT in-plant subsidies, the Commonwealth Government is involved in job creation. A few jobs are also being created under the Community Youth Support Scheme. It is a matter of definition, the nature of the job creation program, its extent and its context. In an evaluation of the Regional Employment Development Scheme the evaluators from the Department of Employment and Industrial Relations proposed a permanent on-going job creation scheme.

18

While it would be a mistake to regard a royal commission as a panacea and as an excuse for no action, a royal commission could begin to open up the context and choices of the employment-unemployment debate. We need to recognise, however, that all such commissions have the debilitating consequence of monopolising the definitions, areas and context of subsequent debates and decisions.

Neville, D.W.

Letter to R. Maclellan, Minister of Labour and Industry. 10 March 1977. Proposed terms of reference include - the major factors and trends affecting development and composition of the work force, the entry of women into the work force, the implications of the transition from the manufacturing age, conditions of working life and industrial democracy and employment prospects and poverty.

19

POLICY AND ACTION PROPOSALS ON YOUTH UNEMPLOYMENT
National Youth Council of Australia
A paper prepared by participants at the 23rd Annual Council Meeting of NYCA, December 1976 p 2